

SUSTAINABLE DEVELOPMENT BOARD MEETING

23 OCTOBER 2008: 10.00AM – 12.00NOON

YHA, 18 KING STREET, WAKEFIELD

AGENDA

1. Welcome, Introductions & Apologies

BUSINESS ITEMS

10.05 – 10.15

2. Minutes of Last Meeting – 7 August 2008 Attached
3. Matters Arising Attached

DISCUSSION ITEMS

10.15 – 12.00

4. Review of Sub-National Economic Development and Regeneration (SNR) Progress and Transition Issues Verbal
5. Defra Sustainable Development Transition and Transformation Fund Update Attached
6. Building Sustainability into RFA2: The Integrated Regional Framework Attached
7. Regional Climate Change Adaptation Study - Progress Attached
8. Regional Climate Change Action Plan Verbal
9. Yorkshire Futures Research/Futures Toolkit Verbal
10. Sustainability Appraisal of the Yorkshire and Humber Plan 2009 Update Attached
11. Any Other Business

Date of Next Meeting: 29 January 2009

**MINUTES OF THE SUSTAINABLE DEVELOPMENT BOARD MEETING:
7 AUGUST 2008**

Attendees

| | |
|----------------------------|---|
| Cllr Arthur Barker | Chair |
| Naheed Arshad Mather | Deputy Chair |
| Tim Godson | Government Office (Deputy for David Fraser) |
| Cllr Ken Wyatt (from 11am) | South Yorkshire Local Authorities |
| Jayne Ashley | UK SD Commission |
| Cllr Adrian Naylor | West Yorkshire Local Authority Partnership (Deputy for Cllr Sims) |
| Debbie Rosen | Yorkshire Forward (Deputy for Mike Smith) |
| Stuart Kielty | Yorkshire Futures (Deputy for Les Newby) |
| Iain Lovell | YHA |
| Jatinder Singh Mehmi | YHA |
| Nicola Baylis | YHA |
| Sue Jeffrey | YHA |

Visitors

| | |
|----------------|--------------------|
| Penny Coles | Environment Agency |
| Peter Foulston | Environment Agency |
| Emma Bridge | Rotherham MBC |
| Lyndsey Bunn | YHA |
| Martyn Roberts | YHA |
| Rob Murfin | YHA |

Apologies

| | |
|--------------------|--|
| David Fraser | Government Office |
| Cllr Bernard Regan | Humber Local Authority Partnership |
| Cllr Andrew Waller | North Yorkshire Local Authorities |
| Andy Wilson | SD Expert |
| David Gibbs | SD Expert |
| Phil Webber | SD Expert |
| Tom Knowland | SD Expert |
| Cllr Ken Sims | West Yorkshire Local Authority Partnership |
| Mike Smith | Yorkshire Forward |
| Les Newby | Yorkshire Futures |

1. Welcome, Introductions and Apologies

The Chair welcomed members to the meeting and the apologies were **noted**.

It was confirmed that Mike Smith would shortly be leaving Yorkshire Forward and would therefore be stepping down from the Board. Members asked that the Board's thanks be passed Mike for his valuable contribution.

2. Minutes of the Last Meeting – 20 March 2008

The minutes of the last meeting were **agreed** as an accurate record.

3. Matters Arising

The matters arising from the previous meeting were **noted**.

4. Review of Sub National Economic Development and Regeneration

Members **noted** the consultation response submitted by Local Authority leaders and Yorkshire Forward – in particular the proposal for an Independent Board to ensure the principles of sustainable development and economic opportunity are fully ingrained in the Integrated Regional Strategy (paragraph 6.5). It was confirmed that the Board would be chaired by and independent/expert although, at this time it was unclear as to how the Chair would be appointed.

It was confirmed that the national consultation on SNR closed on 20 June 2008. 491 responses were received and are currently being analysed by Government but early results indicate:

- Strong support for a single regional strategy;
- Support for a duty on local authorities to undertake economic assessments;
- Concern over a perceived democratic deficit in RDAs taking on planning functions; and
- Concerns from business over a perceived watering down of SNR economic focus and the proposed wider role for local authorities.

Members were informed that Government is expected to

publish its response to the consultation in late September.

Members were also informed that the UK SD Commission were currently undertaking some work with RDA Strategy Teams on Single Integrated Regional Strategies which is due to be completed in mid September. It was confirmed that an update on this would be provided at a future meeting.

Jayne Ashley

5. Defra Sustainable Development Transition and Transformation Fund

Members **noted** progress on the Defra funding proposal. It was stated that the initial feedback received from Defra on the region's proposal was very positive, with formal approval anticipated shortly.

Members were informed that the Defra grant would cover 60% of the cost of activities put forward in the proposal. The remaining 40% was to be provided by Yorkshire Forward – and the Chair expressed his thanks to Yorkshire Forward, on behalf of the Board, for their contribution.

In the report presented to the Board (paragraph 8), it stated that Government Office would oversee the implementation of the work programme. Government Office felt that this would be best undertaken by the Board and this proposal was **agreed** by members.

Members were informed that the final version of the proposal submitted to Defra was available on request.

6. Regional Climate Change Adaptation Study

Members **noted** progress on the Regional Climate Change Adaptation Study.

It was confirmed that dates had now been set for the sectoral workshops:

- 14 October 2008 - Infrastructure and Utilities
- 16 October 2008 - Business and Economy
- 21 October 2008 - Health and Welfare
- 22 October 2008 - Public and Voluntary Services
- 30 October 2008 - Biodiversity

It was stated that further details would be circulated to members shortly.

Members emphasised the importance of ensuring that the findings from this Study were widely disseminated as they occur. Although it was stated that the findings would be made available on a specially designed website, members felt that more needed to be done to ensure the findings reached the local level.

7. The Sustainability Appraisal of the RSS Update 2009

Members were updated on the RSS Update 2009 – the main driver for which is the Government's Green Paper on housing. In the discussion that followed, a number of key points were raised:

- Weighting of flood risk, social/demographic issues etc will be crucial to this work.
- Issues around infrastructure, employment, transport etc are also key.
- Uncertainty in the economic climate needs to be taken into account.
- It will be a challenging piece of work to test and evaluate the criteria.
- If the region analyses the housing figures effectively, it need to be prepared for the fact that the figures could go up as well as down.
- Government figures are focussing on the long term, not on short term fluctuations in the market.

It was then explained that the Board had an important role to play in the Sustainability Appraisal of the Update.

Volunteers were sought from the Board membership to act as ongoing consultees for this process, and Cllr Adrian Naylor and Debbie Rosen both expressed an interest in being involved in this work. It was **agreed** that an e-mail should be sent to those members not present at the meeting giving them the opportunity to participate.

It was confirmed that an update on this work would be provided at the next meeting.

8. Work Programme for 2008/09

Members **agreed** the Board's work programme subject to the addition of work to input into the Regional Climate Change Action Plan.

Nicola Baylis

Jatinder Singh
Mehmi

ACTION

It was confirmed that an update of the LSP Ecological Footprinting Project, and the proposed workshop, would be given at the next meeting.

Jatinder Singh
Mehmi

Members then discussed the upcoming Regional Funding Allocations (RFA) process, which must be submitted to Government by the end of February 2009. It was confirmed that RFA2 would cover the period to 2019 and allocate approximately £900m to the region.

Although the RFA2 process was still being developed, it was confirmed that it would be helpful if the Board could undertake some form of 'challenge' work as part of the process. It was stated that more details would be given at the October meeting.

Sue Jeffrey

9. Regional Inequalities Work

Stuart Kielty gave a presentation on the *Equalities in Yorkshire and Humber: An Assessment of Current Position and Trends* report (slides attached at **Annex A**).

In the discussion that followed, a number of points were raised:

- This is an interesting, yet worrying study.
- The report does not give an accurate picture of rural areas as the deprivation in some localities is masked by the considerable wealth of those who live within a relatively close proximity.
- The migration data is not particularly accurate as there are records relating to those entering the region, but none for those leaving.
- Concern that some of the data in the report is out of date. It was stated that this was an issue but that the data used within the report was the most up to date that was available at the time.
- The report contains little information on the region's ageing population. It was confirmed that this was covered in a separate report *Population Projections: Age and Ethnicity*.

The Chair thanked Stuart for the presentation.

It was **agreed** that links to both publications mentioned under this agenda item would be circulated to members for

Nicola Baylis

ACTION

information.

10. Yorkshire Futures Research

As Les Newby was unable to attend the meeting in person, it was **agreed** that he should be invited to do an interactive session on the research at a future meeting of the Board.

Jatinder Singh
Mehmi

11. Scrutiny of Investment Planning

Members noted the content of the Scrutiny Board's impending review on Investment Planning. It was confirmed that, although there was a new geographical investment planning programme about to be implemented, the review would be focussing on the existing process and looking at what lessons could be learnt for the future.

Members were then asked to nominate a representative to take up the Sustainable Development Board's seat on the Scrutiny Board for the duration of the Investment Planning Review.

It was **agreed** that, as a number of members were not in attendance at the meeting, that an e-mail should be circulated to all Sustainable Development Board members seeking expressions of interest.

Nicola Baylis

Date of Next Meeting: 23 October 2009

Nicola Baylis, Business Services Officer
18 August 2008

**MATTERS ARISING FROM THE SUSTAINABLE DEVELOPMENT BOARD
MEETING HELD ON 7 AUGUST 2008 – FOR NOTING**

1. This note provides an update on those matters not covered elsewhere on the agenda.

**Item 4 – Review of Sub National Economic Development and
Regeneration**

2. The UK SD Commission has undertaken some work with RDA Strategy Teams on Single Integrated Regional Strategies which was completed in mid September. This work will inform the region Defra Sustainable Development Transition and Transformation Fund work.

Item 7 - The Sustainability Appraisal of the RSS Update 2009

3. At the last meeting, volunteers were sought from the Board membership to act as ongoing consultees for the SA process, and Cllr Adrian Naylor and Debbie Rosen both expressed an interest in being involved in this work. An e-mail was also sent to those members not present at the meeting giving them the opportunity to participate. However, no further expressions of interest were received by the deadline given.

Item 8 – Work Programme

4. The LSP Ecological Footprinting Project has now been completed and a final report has been produced. This report was e-mailed out to members on 16 October 2008 and is available on the Assembly website.
5. A workshop for local authorities has been scheduled to take place in February 2009 to look at the application of ecological footprinting in decision making for local authorities. Further information will be available shortly.

Item 9 – Regional Inequalities Work

6. Weblinks to the *Equalities in Yorkshire and Humber: An Assessment of Current Position and Trends* and *Population Projections: Age and Ethnicity* publications were e-mailed to members on 8 August 2008.

Item 11 – Scrutiny of Investment Planning

7. An e-mail was circulated to members on 8 August 2008 seeking a volunteer to take up the Sustainable Development Board seat on the Scrutiny Board for the

Investment Planning Review. An expression of interest was received from Andy Wilson, and he has now been appointed to the Scrutiny Board for the duration of the Investment Planning Review.

Nicola Baylis and Emma King, Business Services Officers
September 2008

**DEFRA SUSTAINABLE DEVELOPMENT TRANSITION AND
TRANSFORMATION FUND UPDATE**

For Information/Discussion

Members are asked to note progress on the Defra fund

Background

1. On the 7 May 2008, Defra announced funding to support regions in exploring a programme of activity to help embed sustainable development principles into the new transition arrangements resulting from the implementation of the Sub National Review.
2. The programme also aims to generate 'buy-in' from a number of regional stakeholders to develop a consensus about how best to embed sustainable development in the transition to new regional arrangements.
3. Within each region, a single accountable body, which ensures suitable monitoring arrangements are in place to record project expenditure, was invited to submit a proposal to Defra. With agreement from partners, the Assembly has been designated as the accountable body. Defra will pay the grant funding directly to the accountable body nominated by the region.
4. Mandatory signatories for the proposal included Yorkshire Forward, the Sustainable Development Board and Local Government Yorkshire and Humber.
5. The funding proposal had to address Objective 1, which will develop a better understanding of the 10 regional challenges within the Integrated Regional Framework and Objective 2, which will explore key issues for a successor sustainable development body.
6. Further details on the Defra funding criteria and proposal were presented to and agreed by members at the Board meeting on the 7 August 2008.

Current Position

7. A proposal was subsequently submitted to Defra and this received approval on the 18 August. An agreement offer from Defra outlining terms and conditions of the funding was then signed by the Assembly as the designated accountable body and countersigned by Defra.

8. A steering group was established to develop and progress the proposal, which comprised mandatory signatories required to access the funding, in addition to the Environment Agency and Government Office for Yorkshire and Humber. Cllr Adrian Naylor and Naheed Arshad-Mather from the Sustainable Development Board are also part of the steering group.
9. The first steering group meeting took place at Yorkshire Forward's office on the 22 September. Steering group members highlighted the importance of ensuring a wide range of participants took place in the consultation process. Comments on the tenders for consultancy support were discussed and comments welcomed.
10. A draft brief to tender for the work was discussed, comments were sought from the steering group and this was subsequently approved.
11. Yorkshire Forward and the Assembly agreed to develop an evaluation matrix to assess tenders received. It was agreed that the interview panel would consist of officers from the Assembly, Yorkshire Forward and the Environment Agency.
12. Invitations to tender for the consultancy support were posted on the Assembly's website on 26 September with a closing date for receipt by the 10 October. Eight tenders were received and they are currently being evaluated. Tenders received will be evaluated week commencing 13 October and interviews (if necessary) will take place week commencing the 20 October.

Source Papers

| Report | Location |
|--|--|
| Sustainable Development Board: 7 August 2008 Defra Sustainable Development Transition and Transformation Fund Update | Available from: Emma King Yorkshire and Humber Assembly 18 King Street Wakefield WF1 2SQ Tel: 01924 331590 E-mail: emma.king@yhassembly.gov.uk |

Jatinder Singh Mehmi, Sustainable Development Policy Manager
 October 2008

**BUILDING SUSTAINABILITY INTO RFA2: THE INTEGRATED REGIONAL
FRAMEWORK**

For Information/Discussion

Members are asked to consider proposals to use the Integrated Regional Framework, and its strategic directions, as the basis for providing clear sustainable development guidance for RFA2 2008/9

Background

1. The Regional Funding Advice guidance was launched on 30 July 2008, and follows on from a first round of advice conducted in 2005 by the Assembly and its regional partners.
2. Government has confirmed that this second, expanded round of RFA will play a significant role in implementing the proposals put forward in the SNR, and that further, it will encourage regions 'to deliver a regionally agreed and coherent investment programme which aligns aspects of spatial planning, transport, economic development and housing, taking account of economic geography.' The RFA requires regions to develop robust evidence, and through this, address the challenges of sustainable economic growth.

The Integrated Regional Framework (IRF)

3. In June 2008, the Regional Assembly launched 'Growing Together', the Integrated Regional Framework for the Yorkshire and Humber Region. At the core of this framework are ten regional challenges and a series of strategic directions for each. These challenges, whilst not exhaustive, provide a roadmap for tackling the most pressing sustainable development issues facing the region.
4. The IRF also includes a sustainability checklist and an integration tool to ensure future policy development was fully aligned with sustainable development principles. It has been the intention to use the IRF challenges as a starting point for all development on a regionally significant scale.

The Role of the IRF in RFA

5. As this next round of RFA gets underway, we need to consider the ways in which we include these ten sustainable development challenges into our advice to Government. The economic, environmental and social trends facing

the region – which constitute a starting point for this work - as well as the more specific RFA key themes (Housing, Transport, Economic Development and Skills), need to be considered as an integral part of this advice, and promoted as very much interdependent elements of the process. While the RFA seeks primarily to promote the sustainable *economic* development of the region, it is important that wider sustainable development issues are not left out of this picture. The IRF is current, based on robust data, and drawn from extensive consultation across the region. It is therefore ideally placed to feed into this advice.

Using the IRF in Regional Funding Advice

6. As a set of regional sustainable development challenges and an alignment tool, the IRF can play a number of roles within the RFA process.
7. At a broad level, the IRF can simply function as an early check on core SD principles. Much of the policy advice developed by the RFA's thematic teams will be consistent with that proposed by the IRF, so the fundamental principles of sustainability will hopefully be engrained from the outset. The IRF can ensure, for example, that advice given conforms to guidance regarding environmental limits, resource use and climate change. It will also be helpful in establishing the sustainability credentials of RFA beyond purely environmental concerns. Equality, diversity and opportunity need to be built in to funding advice, and promoted as essential criteria in delivering sustainable economic growth.
8. One of the conditions set by Government for the submission of advice is that it demonstrates an integrated approach to investment. While it is important that housing, transport and skills provision are justified on their own merits and need, it is equally important that the linkages between all three are reflected in the investment profiles put forward. Through its focus on futures and integration, the IRF can show the linkages between and across funding streams, and demonstrate that decision-making must be built through an appreciation of all factors
9. Because Regional Funding Advice is an integral part of the SNR process, a great deal of attention has already been given to how it feeds into development of a Single Regional Strategy. While there is a logic to this, the IRF must demonstrate that extant regional strategies are still important in delivering positive change, and that, through the RSS and other lower tier strategies, we continue to progress the broad themes these strategies promote.

Input into drafting stages of RFA

10. It is important, therefore, that when drafting begins on the key themes, this is done in cognisance of what the IRF is saying in terms of strategic outlook and vision for sustainable development. The IRF contains an appraisal tool for

fulfilling 'alignment' roles such as this, but whether the range and scope of the appraisal questions are sufficient given the nature of the RFA exercise will need to be agreed by the Co-ordination Group.

11. The drafting groups will work on thematic elements of advice in discussion with:
 - The Regional Housing Board
 - The Regional Transport Board
 - The Yorkshire Forward Board
 - The Regional Skills Partnership
 - The ERDF Programme Management Committee

12. The IRF reinforces the strategic priorities associated with each of these, making crucial linkages between each thematic element. Early input into the drafting stages will help reinforce these as central pillars of the RFA process, thus making future investment in the region more closely aligned with the Government's own vision for sustainable development laid out in *Securing the Future*.

13. It is proposed that, for each RFA theme, the IRF's regional challenge and core strategic direction is reviewed *at the start of and during* the drafting process begins, to ensure best fit with sustainable development principles.

Andy Horrocks, Policy Manager Sustainable Development
October 2008

REGIONAL CLIMATE CHANGE ADAPTATION STUDY - PROGRESS

For Discussion

Members are asked to note progress on the Regional Adaptation Study

Information

1. At the Board meeting on 7 August 2008, members received an update detailing progress on the Regional Climate Change Adaptation Study. Since that time a Progress meeting has been held on 26 August 2008 and a full Steering Group meeting on 24 September 2008.
2. At the latter meeting, Royal Haskoning reported that they had completed: the data collation and baseline review (Stage 1); and the climate and weather assessments (Stage 2) sections of the Study. They also presented the principal climate changes projected for the region by the 2050s and interim outputs to inform the review of the Regional Spatial Strategy.
3. The Steering Group had an initial discussion on a communication plan and proposals for a launch once the final report was received in February 2009. A draft plan is to be considered at the next Progress meeting on 28 October 2008. Consideration was also given to integrating the Study with the revised Regional Climate Change Action Plan and how best to work with the Regional Climate Change Partnership. The impending appointment of a new Regional Climate Change Coordinator was seen as a critical factor in achieving this integration and therefore, ensuring consistency and continuity.
4. On 30 September 2008 Defra, the Met Office Hadley Centre and UK Climate Impacts Programme announced they had taken a decision to delay the launch of the UK 21st Century Climate Change Projections (2008) project (UKCIP08). This decision had been based on information provided by the Met Office Hadley Centre who need more time to consolidate the climate projections. The Met Office is using ground-breaking science to produce the new climate projections combining information from the widest possible range of global climate models. This complex process requires further analysis which will unfortunately take more time than initially expected. The projections, originally scheduled for launching on 20 November 2008, are now likely to be published in spring 2009.
5. Following the announcement, Assembly officers discussed this development with Royal Haskoning and requested that they provide an assessment of the implications of this for the Study at the Progress meeting on 28 October 2008. The initial response was that this would not fundamentally affect progress and that resources released as a consequence could be reallocated to further support the review of the Regional Spatial Strategy.

6. Royal Haskoning also presented the findings to the full Assembly meeting on 2 October 2008. The views and comments put forward by Members will help shape the final stages of the Study.

7. Having completed Stages 1 and 2 of the Study, Royal Haskoning have progressed to Stage 3 and are now undertaking an assessment of the impacts on various sectors and the adaptation approaches required to minimise these. As part of this five sectoral consultation workshops have been scheduled and are to be held as follows:
 - Infrastructure and Utilities – 14 October
 - Business and Economy – 16 October
 - Health and Welfare - 21 October
 - Public and Voluntary Services - 22 October
 - Biodiversity - 30 October.

The response to these has been good and over 100 delegates, representing a very wide variety of regional stakeholders, have registered to attend the workshops.

8. The cross-sectoral regional workshop, to develop the adaptation actions and priorities identified, is to be held in mid-January 2009. The Study is progressing well and the final report is on schedule for presentation to the Steering Group in February 2009.

Source Papers

| Report | Location |
|---|---|
| <p>“Regional Strategies and Climate Change”, May 2007. Report by Arup, Cambridge Econometrics and Stockholm Environment Institute</p> <p>Sustainable Development Board: 20 September 2007, 20 December 2007, 20 March 2008 and 7 August 2008. Climate Change Adaptation - Update</p> | <p>All available from:</p> <p>Emma King Yorkshire and Humber Assembly 18 King Street Wakefield WF1 2SQ Tel: 01924 331590 E-mail: Emma.King@yhassembly.gov.uk</p> |

Martyn Roberts, Sustainable Development Policy Officer
 October 2008

**SUSTAINABILITY APPRAISAL OF THE YORKSHIRE AND HUMBER PLAN
2009 UPDATE**

For Decision

Members are asked to note the approach to the sustainability appraisal of the Regional Spatial Strategy 2009 Update and the opportunities for engagement.

Context

1. There is a statutory requirement for the preparation of the Regional Spatial Strategy (RSS) Update to be subject to formal appraisal. Sustainability Appraisal (SA) is required under the Planning Act 2004 for all Local Authority Development Plan Documents (DPDs) and RSSs. The EU Strategic Development Directive requires Strategic Environmental Assessment (SEA) for plans with significant environmental effects. Finally, the Habitats Directive requires that, where proposals could have an impact on a site covered by the Directive (a 'Natura 2000 site'), there needs to be Assessment under the Habitats Regulations (HRA). For ease of reference these appraisals will collectively be referred to as "SA".
2. While these requirements are procedurally onerous, they will enable the consistent evaluation of impacts across the region. This will be at a level of spatial detail that will make a significant and positive contribution to the reflection of sustainability issues in the process of preparing the RSS Update.

Sustainability Appraisal of the Existing RSS – Lessons Learned

3. During the preparation of the current Plan a steering group, advised by consultants, initially guided the sustainability appraisal. While this was intended to allow independent appraisal, problems were encountered which necessitated amendments to the approach.
4. Stakeholders were generally positive about the comprehensive nature of the appraisal and the results of process were considered formally "sound" at the Examination in Public. However, there were several specific problems:
 - The process went into excessive detail very quickly, resulting in a lack of clarity about the significant impacts of the strategy;
 - There were difficulties around relating the appraisal back to the spatial focus of Plan;

- There were problems integrating the outcomes of the appraisal with the development of draft RSS policy, and
 - The unfamiliar nature of the (then) new SA requirements led to uncertainty over the remit of the SA Steering Group to influence decision making on the draft RSS.
5. Because of these problems it was found to be necessary to fundamentally change the approach part way through the RSS development process. Firstly, the SA consultants were put in a more central role, taking advice from the Steering Group. Secondly, additional consultancy support was introduced to add spatial planning capacity.
 6. During the subsequent independent evaluation of the draft plan preparation process (May 2007), recommendations were made in relation to the SA. Firstly, it was suggested linking the management of the SA and RSS process using an officer central to the RSS to ensure greater joint working with policy makers, with consultants managed so that they work with the regional planning team throughout the iterative process of preparing the RSS. Secondly, the brief for SA should be regarded as an integral part of the RSS work programme so as to embed the SA in the preparation of the RSS.

Results of the SA of Published RSS – key sustainability issues

7. It is important to note that the existing SA report of the current RSS, whilst not exploring the implications of different detailed spatial options for housing development, highlighted a number of issues associated with the RSS housing policies.
8. The housing distribution policy was identified as one of the few policies within RSS for which the SA recorded the potential for major negative effects. How the policy of accommodating significantly increased housing numbers related to the RSS's climate change objective was highlighted as one of the key tensions within the plan.
9. The SA also raised important questions about the ability to accommodate the housing growth given flood risk and the need to minimise green-field releases. However, the SA did note the benefits of more closely targeting housing growth with areas of predicted employment growth.

SA of the 2009 RSS Update

10. The approach that is now proposed to be adopted for the 2009 Update is intended to address both the process issues and substantive difficulties previously encountered and described above. The appraisal of the published RSS defines a number of issues and challenges which have the potential to become even more significant as a result of the increase in housing numbers. However, the inclusion of a spatial dimension within the development and assessment of options offers the potential for some of the potential

sustainability effects identified in the previous SA to be examined in greater detail and, hopefully, to be more fully resolved.

- 11.** The SA of the RSS Update will draw heavily from the SA of published RSS. However, it is acknowledged that the approach to the previous Sustainability Appraisal will need to be improved and enhanced so as to provide a more spatially focussed output which will enable more informed choices to be made between different spatial options.
- 12.** On this basis, a new approach to SA is being pursued. Consultants have been appointed who will appraise and challenge the process of the RSS Update. The main steps of the SA can be summarised as:
 - Undertaking a Sustainability Appraisal (including SA and SEA) and Assessment under the Habitats Regulations which fully meets the requirements of European and National Guidance;
 - Developing an assessment framework as part of the SA. This enables the production of distinct, demonstrable and consistent spatial implications of the housing options so as to assist the Assembly in the formulation of updated policy guidance and revised sub-area statements.
- 13.** While the SA is being managed by the Regional Planning Team (in reflection of the key recommendation of the independent evaluation of the last SA), opportunities for challenge and stakeholder input have been built in. These are set out below:
 - The SA Consultants will challenge and appraise each step of the process. They will prepare a Sustainability Appraisal Framework which will comprise of a series of objectives and sub-questions against which policies and proposals of the RSS Update will be tested. It will be based on that used to appraise the adopted RSS, updated where appropriate to reflect the recently published plans, policies and programmes such as the Integrated Regional Framework;
 - The SA Consultants will oversee stakeholder workshops where the assumptions and approach within the more detailed Spatial Options Appraisal Framework (SOAF) will be tested before being applied to the appraisal of the spatial options;
 - Statutory consultees will be involved in the scoping and development of the Habitats Regs Assessment (Environment Agency, English Nature, the Countryside Agency and English Heritage) in order to evaluate both process and content, and
 - The Regional Sustainable Development Board will be part of the process, using a sub group to challenge the SA approach and spatial options.
- 14.** In addition to ongoing dialogue with this Board, the Regional Planning Forum, the Technical Advisory Group and the Sustainable Development Board, there will be several stages of more formalised involvement of partners. These are:

- The SA Scoping Report (including the Sustainability Appraisal Framework) will be published for a 5 week consultation alongside the main RSS Issues and Options Paper on 3 November 2008 and responses received will inform the final version;
- The appraisal of spatial options will take place from November 2008 to April 2009 using the Spatial Options Appraisal Framework (SOAF) which is to be developed with stakeholders as part of the SA process, and
- Preferred Options and accompanying policies will be appraised and the results published in an SA Report at the same time as formal consultation on the draft RSS Update later in 2009.

Initial SA Findings

15. The SA will test each stage of the review process to determine whether it is likely to deliver transparent and consistent sustainability advantages. The recommendations of the consultants will feed into the iterative process of preparing the RSS. While the approach to options is still being finalised, the SA consultants have already offered an initial view as to the approach the Assembly intends to take. A summary of the issues they raise is set out in **Annex A** to this paper. Some of the headlines are that:

- Prioritising public transport nodes and corridors in defining strategic opportunities is a welcome and positive element of YHA's approach to developing spatial options. To make this assessment more robust, there is also a need for YHA to incorporate information on the capacity of public transport networks;
- Using spatial planning to reduce the need to travel is a complex issue, and there will be a need to study current commuting/employment patterns more closely to ensure the needs of local businesses can also be met; and
- There is a need for evidence on housing supply issues to be made explicit alongside the spatial options, such as how vacant and underused buildings are likely to affect the scale and distribution of housing.

16. Close working arrangements with the consultants have been established so that their input can quickly inform the options and policy development. As the process moves on to the evaluation and refinement of spatial options, this process will need to become more formalised. A record of all the feedback from the consultant will be made publicly available on the Assembly RSS Update website.

Conclusions

17. While the formal appraisal requirements are procedurally onerous, they will enable the consistent evaluation of impacts and constraints across the region at a level of spatial detail that will make a major positive contribution to the process of preparing the RSS Update. On this basis, the SA requirements and the approach taken to SA by the Assembly should be seen as significant

opportunity to incorporate sustainability principles in the RSS Update in a structured and challenging manner.

Recommendations

- 18.** Members are requested to note the SA approach set out this paper and the future opportunities for involvement.

Rob Murfin, Planning Manager
October 2008

CONCLUSIONS FROM CRITICAL REVIEW OF YHA APPROACH TO DEVELOPING SPATIAL OPTIONS

Introduction

1. A critical review of the Assembly's approach to developing spatial options was carried out by testing the three elements of the approach – the scale of housing, the distribution of housing and sub-area options – against sub-questions and objectives of the SA framework. The review focussed on the most relevant sub-questions and objectives i.e. those that have spatial implications, given the scope of the RSS Update. It also had regard to sub-questions that are dependent on policy wording (e.g. reducing crime through design-measures). Although the RSS Update applies to housing numbers only, part of the role of the SA is to assess whether policies of the adopted RSS will need to be updated or refined as a result (e.g. public transport infrastructure provision).

Housing demand and supply

2. The focus of YHA's approach to developing spatial options is a range of evidence on housing demand. This seems appropriate given that the purpose of the update to RSS is to address the need for increased housing in the region as a result of growing demand and long term affordability issues. YHA's approach to reviewing the evidence base from NHPAU and CLG trend based population and household projections seems thorough and should ensure that options take into account the most appropriate levels of housing demand, including affordable housing needs. It will be helpful if the underlying assumptions about the factors driving housing demand are made explicit e.g. migration, age structure, occupancy levels, housing affordability.
3. There is also a need for evidence on housing supply issues to be made explicit alongside the spatial options, such as how vacant and underused buildings are likely to affect the scale and distribution of housing. Beyond the options stage there is a need to ensure that accompanying policies require housing of the right type and tenure will be provided to meet local needs.

Relationship between housing and employment

4. The approach to the scale and distribution of housing also looks at the implications of future levels of employment growth. As a result, consideration will be given to how closely the scale and distribution of housing will be aligned with employment. This will endeavour to ensure that employment opportunities are available near where people will live, thus going some way towards reducing the need to travel. Reducing the need to travel is a complex issue, however, and there will be a need to study current commuting patterns and types of employment more closely to ensure the needs of local businesses can also be met.

Supply of housing land

5. YHA recognise that the supply of housing land is critical to determining the most appropriate distribution of new housing across the region and how long the current spatial strategy should be sustained given the projected scale of housing growth. Fundamentally, it is a crucial component of the evidence base when considering certainty of delivery. There is a need to understand the land requirements of the existing RSS and the distribution of the residual land supply available for further increases in housing as a result of the RSS Update.

6. Where data from Strategic Housing Land Availability Assessments and Annual Monitoring Reports is unavailable we recommend that assumptions are made about the likely capacity of urban areas in the settlement network to accommodate housing development. Linked to this, a range of development densities should be applied to the spatial options. This evidence will help to determine the likely greenfield/brownfield split which in turn will add certainty to a range of judgements to be made in the SA e.g. the degree to which land and natural resources will be used efficiently, the extent to which the built and natural environment will be protected.

Prioritising public transport

7. Prioritising public transport nodes and corridors in defining strategic opportunities is a welcome and positive element of YHA's approach to developing spatial options. This should go some way towards reducing reliance on use of the car and the unsustainable trends that result (e.g. increased congestion, increased greenhouse gas emissions, increasingly disparate communities). To make this assessment more robust, there is also a need for YHA to incorporate information on the capacity of public transport networks to accommodate increased numbers of passengers to ensure that best use of existing infrastructure is made in the first instance and a clear case for further investment can be made where it is needed. Incorporating this evidence should be part of the process of refining and testing the spatial options.
8. Prioritising public transport needs to be accompanied by a range of other measures through bold policies in the RSS on reducing car use and encouraging walking and cycling. At the preferred options stage, the SA will consider the extent to which policies of the current RSS are likely to meet this objective.

Prioritising opportunities and constraints

9. The "bottom up" approach to developing sub-area options also prioritises some key environmental constraints, such as international and national nature conservation designations and flood risk. Most of these would be expected to feature as high level constraints given the legislation and policy that underpins their protection.
10. YHA's further review of strategic opportunity areas will look at a range of other opportunities and constraints. In order to ensure a complete range of sustainability issues are addressed through the options development process there is a need to clarify the definition of "other strategic environmental considerations" and "regeneration priorities" and include some additional layers of information where available such as historic assets and access to community services and facilities.
11. Moreover, there is a need to have a clear rationale for which factors are most appropriate for inclusion in this type of exercise at the regional scale (as opposed to the local level through the LDF process) and how their relative importance will be weighted in finalising strategic opportunity areas. Through the SA process, the aim should be to optimise the integration of economic, social and environmental objectives in the first instance. In reality, where there are competing priorities, this will not always be possible. Where certain objectives need to be prioritised and trade-offs need to be made, this should be made explicit and mitigation should be provided. The Spatial Options Appraisal Framework (SOAF) to be developed as part of the SA will help to make this process open and transparent.